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| Originator | Item Approve Purchase - Bituminous Materials, Oils, and Emulsions |
| Agenda Section | Date 5/5/2014 |

Description

Council is requested to approve the purchase of Bituminous Materials, Oils, and Emulsion with Flint Hills Resources, LP under the State of Minnesota Contract #28839. The material will be used by the City for street repair. The request is for 650 tons of CRS 2P Asphalt Emulsion for seal coating at a cost of \$562.46/ton for a cost of \$365,599.00; 10 tons of CSS-1H Asphalt Emulsion at a cost of \$479.57/ton for a cost of \$4,795.70; and 10 tons of CRS2 Asphalt Emulsion at a cost of \$482.46/ton for a cost of \$4,824.60.

In 2013, the City began the use of the FA-2 Mod 1/8" MnDOT 3137.2B Class A trap rock (diabase) as a better product for the sealcoat operation that requires the use of significantly less oil. In 2012 the City estimated the need for 1015 tons of oil, while in 2014 (as well as 2013) the City estimated the need for only 670 tons of oil. Unit costs for oil under the State Contract are unchanged from 2013 to 2014.

Funding for the purchase of the material is budgeted in the 2014 Street Maintenance Budget, Activity 7623. Expenditures for bituminous material during 2012 were \$647,473.85 and 2013 were \$351,804.49. Please note that the expenditures prior to 2014 included Minnesota State Sales Tax.

Requested Action

Approve the purchase of bituminous materials from Flint Hills Resource, LP under State of Minnesota Contract #28839 for a cost of \$375,219.30.

Attachments: